

PART IV

Section 2-C (ii)

**STATUTORY ORDERS ISSUED BY THE STATE
GOVERNMENT UNDER THE CENTRAL ACTS
AND STATE ACTS.**

GOVERNMENT OF KARNATAKA

Social Welfare and Labour Department

Labour Dispute.—Industrial Dispute between the workmen and the management of M.I.T. Laboratories Ltd., Bangalore.

Award of the Presiding Officer, Industrial Tribunal, Bangalore, published.

Read the following Papers :

(1) Letter No. I.T. No. 2053/74-75, dated 29th March 1975 from Shri M. C. Konnur, Presiding Officer, Industrial Tribunal, Bangalore.

**BEFORE THE INDUSTRIAL TRIBUNAL IN
KARNATAKA, BANGALORE**

Dated 24th March 1975

Present :

Sri M. C. Konnur, LL.B., Presiding Officer.

I.D. No. 10 of 1974

I Party—

Workmen represented by the Secretary, The I.T.L. Employees' Association ITL Buildings, Malleswaram, Bangalore-560003.

Vs.

I Party—

The Management of The Project Administrator,
M.I.T. Laboratories Ltd., Post Box No. 397,
Malleswaram, Bangalore.

Appearances:**For the I Party—**

Sri A. Venkataram, Secretary of the I.T.L. Employees' Association, Bangalore.

For the II Party—

Sri M. V. A. Raja, I.L.P.M. Consultant, Bangalore.

AWARD

The State Government, being of opinion, that an industrial dispute existed between the workmen and the Management of M. I. T. Laboratories Ltd., Bangalore, referred the dispute by its Order No. SWL 76 (2) LLD 74, dated 17th May 1974, to this Tribunal for adjudication under Section 10(1) (d) of the Industrial Disputes Act, 1947, on the points scheduled in the Order of Reference.

2. The workmen represented by the Secretary, the I.T.L. Employees' Association, Bangalore, referred to as the I Party filed their statement of demands. The Management of the Project Administrator, M.I.T. Laboratories, Bangalore, referred to as the Party has filed its claim statement.

3. The I Party also filed an application (I.A.I.) for Interim Relief. The II Party has filed its objection to I.A.I. When the matter was fixed for hearing the I.A.I. the parties prayed for time submitting that the matter was under negotiations. Finally, the parties have filed a **Memo** of settlement arrived at between them and prayed **for** an award being passed in terms of the settlement. It was however submitted that no agreement had been reached in regard to the stagnation increment. Subsequently, an application by both the parties is filed that the

parties have agreed that the I Party should withdraw its claim regarding the stagnation increments and that an award may be passed on all the points under reference, as the same have been settled to the satisfaction of both the parties. Representatives appearing for the parties have been heard. The agreement reached is fair and reasonable.

4. An award is directed in terms of the Memo of settlement which shall form part of this award. No order as to costs.

(Dictated to the Stenographer, transcribed by him and corrected by me).

M. C. KONNUR,

Presiding Officer,
Industrial Tribunal, Bangalore
24—3—75.

MEMORANDUM OF SETTLEMENT

Under Section 2(p) of the Industrial Disputes Act, 1947, read with Section 18(1)

First Party—

Workmen of MIT Laboratories, Malleswaram represented by ITL Employees' Association

K. Govindappa, President.

Chikkaiah, Vice President.

Alampalli Venkataram, Secretary.

Seenappa, Assistant Secretary.

C. Krishnappa, Treasurer.

Second Party—

MIT Laboratories Malleswaram Unit (Division of IDL Chemicals Limited) Malleswaram, Bangalore-560003.

P. V. V. Krishnan, General Manager.

S. L. Sastry, Adviser to GM.

S. V. Raman, Commercial Manager.

N. S. Lakshminarasimhan, Works Manager.

E. M. Raju, Personnel Officer.

Short Recital of the Case

Whereas, a settlement entered into between MIT Laboratories, Malleswaram, and ITL Employees' Association expired on December 1, 1972 and,

Whereas, the ITL Employees' Association placed charter of demands dated December 1, 1972 (Annexure 'A') covering 23 points on the Management, and,

Whereas, the charter of demands was taken up in conciliation and both the parties have held various discussions before the Labour and Conciliation Officer, and,

Whereas, the parties could not come to any amicable settlement and the same was referred to the Hon'ble Industrial Tribunal, Bangalore, vide reference No. ID/10 of 1974 and,

Whereas, the Management was not in a position to consider any of the demands because of continued heavy losses in the past three years, solely with a view to have good industrial relations and efficient productivity, both the parties again discussed the demands when dispute was still pending before the Hon'ble Industrial Tribunal, Bangalore, the parties have agreed to come to an amicable settlement on all points except 1(d) of Charter of Demands (Stagnation Increments) on the following terms of settlement:

Whereas, both the parties have further agreed that this settlement shall be filed before the Hon'ble Industrial Tribunal and Hon'ble Industrial Tribunal may be pleased to pass an award on the terms of settlement as agreed hereunder:

Now Wherefore, both the parties have signed this settlement on this Fourth day of March 1975.

Terms of Settlement

1. Pay Scale.—It is agreed that in view of the additional Dearness Allowance considered in Clause 17 of this

settlement the Association and workmen have agreed to drop this demand and the present pay scale shall continue.

With regards to stagnation increments as demanded by the Association it is agreed by both the parties on that the said subject which is already pending before the Hon'ble Industrial Tribunal, as 1(d) of points of dispute, will be taken up and proceeded with.

2. **Co-operative Society.**—The working of the Co-operative Society will continue as at present, and the Association agrees to drop the demand under this head.

3. (a) **Overtime Wages for Watch and Ward.**—The existing system will continue.

(b) **Night Shift Allowance.**—Employees working in the night (except Watch and Ward Staff) beyond mid-night will be given Rs. 0.50 per night worked as night shift allowance.

(c) **Permission.**—The present practice of permitting employees to go out on permission, will continue.

4. (a) **Cleaning Allowance.**—It is agreed that the employees who work on the annual cleaning of the boiler will be given Rs. 15 per head as a single adhoc payment.

(b) **Promotion as Clerks.**—The Association agrees to drop this demand since it is covered under Clause 14.

5. (a) **Casual leave and Sick leave.**—It is agreed that the present rules governing casual leave and sick leave shall continue and no change will be considered.

(b) **Salary Disbursement.**—It is agreed that salary will be disbursed on 6th of each month. If 6th is a holiday, salary will be disbursed on 7th of that month.

6. (a) **Employment of relatives of workmen.**—It is agreed that for purposes of recruitment, everything else being equal, preference for employment will be given to sons and daughters of workmen, who retire or die.

(b) **Employment to Mr. Chikkanna's Wife and Mr. Mayanna's Son.**—In view of the above, the Association agrees to drop this demand.

7. **Attendance Bonus.**—It is agreed that the Management will examine the introduction of an attendance bonus scheme as and when it is found necessary.

8. **Canteen Deduction.**—No further relief is possible. This subject is entirely left to be discussed by the Canteen Committee, and it is agreed that the Canteen Committee will take more interest and assist in running the canteen efficiently and economically.

9. **National and Festival Holidays.**—It is agreed that workmen working on declared National and Festival Holidays will be given double the normal wage as and when they are called upon to work. It is further agreed that workmen shall not refuse to work on any holiday if they are directed to do so by the Management. In the event of any employee working on his/her weekly off, he will be given a compensatory holiday as per the Factories Act.

10. (a) **Advance for Marriage, etc.**—The Association agrees to drop this demand.

(b) **Cycle Advance.**—Management offered to render whatever assistance is possible, including in securing loans from banks on behalf of employees without creating any financial burden to the Company.

(c) **Permission to attend special General Body Meetings.**—Association agrees not to press this demand.

(d) **Festival Advance.**—The present policy on Festival Advance will continue.

11. **Death Relief Fund.**—The present Death Relief Scheme existing in the unit will continue.

12. **Paid Holiday to Celebrate Works Day.**—The Association agrees to drop this demand.

13. **Allowance to Cycle Orderlies.**—It is agreed that Cycle Orderlies will be given Rs. 15 as allowance per month.

14. Promotion Scheme.—Management is evolving a promotion Scheme, and that shall be applicable and govern all future promotions of all categories of workmen including clerks within the next three months.

15. Standing Orders.—The association agrees not to press this demand and the Association shall take up this matter before the Certifying Officer.

16. Fixing of some Skilled Workers.—On the Association bringing up specific cases, such cases will be examined by the Management on their merits.

17. (a) Dearness Allowance, House Rent Allowance and City Compensatory Allowance.—It is agreed that the present scheme of Dearness Allowance, House Rent Allowance and City Compensatory Allowance as per settlement, dated 28th February 1966 between the Management and the I.T.L. Employees' Association will continue. However, in view of the abnormal increase in cost of living, the Management have agreed to give a monthly additional Dearness Allowance as follows for the period of this settlement :

- (i) Rs. 25 for the first year of the settlement.
- (ii) Rs. 32.50 for the second year of the settlement, i.e., an increase of Rs. 7.50 per month over the 1st year .
- (iii) Rs. 40 for the third year of the settlement, i.e., an increase of Rs. 7.50 per month over the 2nd year .

This additional Dearness Allowance will be an entity separate from the regular Dearness Allowance as per settlement, dated 28th February 1966.

In view of the sanction of the additional Dearness Allowance, workmen and the I.T.L. Employees' Association agree to drop the demand for revision in pay scales and weightage increments.

It is agreed by both the parties that this additional Dearness Allowance shall be merged in the All Purpose Allowance after the expiry of this settlement at the discretion of the Management.

(b) **Retrenchment.**—The retrenchment will be as per the provisions of Industrial Disputes Act.

(c) **Existing Benefits.**—The management agrees that the existing benefits and privileges given to the employees, other than those specifically covered by this settlement will continue.

18. **Age of Retirement.**—The present practice of super-annuating an employee on his attaining the age of 58 years shall continue.

19. **Retrospective Effect.**—In view of the settlement as at 17(a) above, the Association agrees not to press this demand any further.

20. **E.S.I. Leave.**—E.S.I. leave will be as per the provisions of the E.S.I. Act and Rules.

21. **Fixing of Depot-in-charge.**—The question does not arise as the Depot Supervisor is already in an appropriate scale. In view of this, Association agreed to drop this demand.

22. **Appointment of a Motor Mechanic.**—Appointing a Motor Mechanic is not pressed by the Association.

23. **Furlough Leave.**—It is agreed that the time limit set for exhausting accumulated furlough leave be extended by one year more upto 31st December 1976.

24. **Bonus.**—In spite of the alarmingly adverse economic situation of the unit and notwithstanding the actual statutory position applicable to the independent unit of M.I.T. Laboratories, the Management has, as a gesture of goodwill and grace, agreed to extend to the employees of M.I.T Laboratories unit, the same rate of bonus as paid to the employees of I.D.L. Chemical Limited elsewhere from time to time commencing from the accounting year 1974-75. This gesture of goodwill has been made possible by the workmen's assurance that they will extend their full co-operation in making M.I.T. Laboratories a viable unit.

25. Increase of Provident Fund Contribution.—It is agreed by the Management that, as a very special case, the rate of Provident Fund will be increased to 10 per cent to its employees with effect from 1st July 1975.

26. Period.—The terms of this settlement shall be operative for a period of 3 years from January 1, 1975 and shall continue to be binding on the parties till it is validly terminated by the parties as per the provisions of the Industrial Disputes Act.

27. In view of this overall settlement as a package deal, the Association and workmen agree to drop all their demands and disputes, now pending before any Court of Law or Conciliation or Government.

28. It is agreed that the Association and the workmen shall not adopt go-slow tactics in any circumstances in future. It is further agreed that any matters which may come up in future should be solved by mutual negotiations, failing which, the parties shall take recourse to constitutional methods of solving the disputes. Further the Association and the workmen agree to strive hard and maintain good discipline in the industry and always maintain high productivity.

29. General.—This overall settlement arrived at between the parties under Section 2(p), read with Section 18(1) of the Industrial Disputes Act, 1947, covers all the matters raised by the I.T.L. Employees' Association and the workmen in full and final satisfaction. It is agreed that the workmen shall not, during the period of the operation of this settlement, put forth any fresh demands involving financial burden on the Company. The workmen agree that they will co-operate with the Management to achieve better productivity, discipline and good industrial relations.

In witness whereof, the parties have set their hands hereunder this Fourth day of March Nineteen hundred and Seventy-five.

For First Party :—

Workmen of MIT Laboratories, Malleswaram represented by I.T.L. Employees Association)

1. Sd
2. Sd
3. Sd
4. Sd
5. Sd

For Second Party :—

(Management of MIT Laboratories, Malleswaram Unit, Division of I.D.L. Chemicals Limited)

1. Sd
2. Sd
3. Sd
4. Sd
5. Sd

ANNEXURE 'A'

I.T.L. EMPLOYEES ASSOCIATION
(Affiliated to Bharatiya Mazdoor Sangh)

(Regd. No. 19/41)

I.T.L. Buildings, Malleswaram, Bangalore-3.

Ref. No. 7198/72-73

Dated : 1-12-1972

The Management,
M.I.T. LABORATORIES LTD.,
Malleswaram, Bangalore-3.

Sirs,

Subject : Charter of Demands

On behalf of the employees of your esteemed concern, we place the following charter of demands and request you to kindly concede the same by entering into an amicable settlement.

1. Pay Scales.—The following pay scale may kindly be introduced.

A Grade Rs. 100-8-140-10-190-12-250

A Special Rs. 125-10-175-15-250-20-350

- B Grade Rs. 150-15-225-25-350-30-500
- B Special Rs. 175-20-275-30-425-35-600
- C Grade Rs. 150-15-225-25-350-30-500
- C Special Rs. 195-20-295-25-420-30-570
- D Grade Rs. 350-30-500-40-700-60-1,000
- E Grade Rs. 250-25-375-30-525-35-700

All the daily rated workers who are in Re. 1-00 grade. Watch and Ward, drawing Rs. 30-00 basic and attenders shall be fixed in the A Grade. Such of those workers who have completed 15 years of service shall be fixed in A Special. Those drawing 1.75 basic and Drivers, drawing Rs. 60-00 per month shall be fixed in B grade. 15 years of service and above shall be fixed in B Special. Clerks and Supervisors shall be fixed in C Grade. 15 years of service and above shall be fixed in C Special. Accountant shall be fixed in D grade. Deputy Accountant and Stenos and Graduates shall be fixed in E Grade.

(a) Appropriate fixation shall be made in the new grades as per the usual practice.

(b) Graduates shall be given three additional increments in the new scales.

(c) Service weightage at the rate of one increment for every three years of service shall be given.

(d) Stagnation increments at the rate of 1 increment per every year of stagnation shall be given in the new scales.

(e) Supervisors shall be given 2 additional increments in the new scales.

2. (a) The Office-Bearers of the Co-operative Society shall be permitted as and when necessary to do the Society work.

(b) The Management shall give Rs. 2,50,000 as loan to the Society to enable them to purchase sites and houses. The said amount may kindly be recovered in easy instalments.

3. (a) Whenever more than 8 hours of work is extracted from the Watch and Ward they should be given double the normal rates of wages and the Watch and Ward shall be allowed to carry their uniforms to their houses.

(b) The 3rd shift employees shall be given 1 rupee per day towards night-shift allowance. Whenever they are required to watch the vehicles outside the factory they shall be given Rs. 1.50 as additional food allowance.

(c) Existing 2 hours permission may be reduced to 1 hour. The existing provision of slippers shall be continued and 2 pairs of shoes and socks may be given.

4. (a) The employees who assist the boiler, Fireman shall be designated as assistants. The existing 12.50 boiler cleaning allowance shall be increased to Rs. 30-00.

(b) The attenders who are doing clerical works shall be designated and promoted as Clerks. Such of those workers who have passed S.S.L.C. shall be promoted as Clerks.

5. (a) All the employees shall be given 15 days sick leave and 14 days casual leave.

(b) The monthly wages shall be disbursed on 1st of every month.

6. (a) Whenever a workman retires or dies, employment shall be given to their relatives irrespective of the educational qualifications.

(b) The wife of Sri A. Chikkanna and the son of Sri Mayanna shall be employed immediately.

7. All the employees shall be given 15 rupees as attendance Bonus.

8. The present canteen shall be run and managed by the Management providing the meals at 30 paise and other articles at cheaper rates.

9. Whenever workers are required to work on holidays, Festival holidays, they shall be given double wages.

10. (a) The workers shall be given an advance of Rs. 1,000 in case of marriage or any other important function and the same shall be recovered in 40 instalments.

(b) Once in 5 years cycle advance of Rs. 300-00 shall be given which can be recovered in 10-00 rupees monthly instalments.

(c) In case of emergency permission shall be given to the workers to have special general body meetings.

(d) The existing festival advance arrangement shall be continued.

11. The death fund shall be so rearranged to the effect that whenever workers give a contribution, equal contribution shall be given by the Management.

12. One day paid holiday shall be given whenever Works Day is observed.

13. Cycle orderlies shall be given Rs. 30-00 as allowance

14. A progressive promotional scheme shall be evolved basing on the seniority-cum-merit with consultation of the Union.

15. Standing Order No. 13 shall be deleted in toto.

16. Taking into consideration the seniority of service a large number of korwers who are doing skilled jobs shall be fixed up in the skilled grade.

17. (a) All the other existing benefits and arrangements such as D.A., H.R.A., C.C.A., shall be continued and existing wages etc. in no case the wages shall be reduced (existing wages shall be protected).

(b) No retrenchment shall be made.

(c) No existing benefits shall be curtailed.

18. Retirement age shall be 60 years.

19. Demands shall be given from the date of expiry of the last agreement.

20. When employees are in E.S.I. leave, no deduction shall be made. When employees are on sick leave, no E.S.I. Certificate should be demanded.

21. Depot Manager or the In-Charge shall be given the graduates' scale in view of their responsibilities.

22. A Motor Mechanic shall be appointed for looking after the repairs and maintenance works.

23. The Furlough Leave accrued to the employees shall not lapse and the said employee shall be permitted to avail the same

during their period of service. The existing minimum of 8 days shall be deleted.

Kindly acknowledge the receipt of this charter of demands and oblige.

Thanking you,

Yours sincerely,

Sd/-

(ALLAMPALLI VENKATARAM)

Secretary.

ORDER

Bangalore, dated 11th April 1975

No. SWL 88 LLA 75 Bangalore, dated 11th April 1975

S.O. 1178 —

Whereas by State Government Order No. SWL 76(2) LLD 74, dated 17th May 1974 the Industrial Dispute between the workmen and the management of M.I.T. Laboratories Ltd., Bangalore, was referred to the Industrial Tribunal, Bangalore, for adjudication.

And, whereas, the Industrial Tribunal, Bangalore has submitted to the State Government its award in respect of the said Industrial Dispute.

Now, therefore, in exercise of the powers conferred by section 17 of the Industrial Disputes, Act, 1947 (Central Act 14 of 1947), the Government of Karnataka are pleased to direct the publication of the said award as above, in the Karnataka Gazette.

By Order and in the name of the Governor of Karnataka,

K. MYLARAPPA,

Under Secretary to Government,
Social Welfare and Labour Department.